

# REAL ESTATE Connection

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## *A Lawyer's Perspective*

# Revaluation deadline and other tax appeal facts

BY DENNIS SCARDILLI

Over the past two weeks, I have discussed how to determine whether you should file, and how to go about filing, a real estate tax appeal in New Jersey. Before I move on to other real estate topics, let's touch on some things that you will need to know about this process.

For Tax Year 2008, New Jersey municipalities that have implemented either a municipal-wide revaluation or reassessment have a tax appeal filing deadline of May 1st. This is a departure from previous years, where the County Board of Taxation made such decisions on a case-by-case basis. The May 1st deadline is based on a revision to the statute made in last winter's "lame duck" session, effective Jan. 11, 2008. My unofficial survey of municipalities with a May 1st deadline is as follows.

- Atlantic County: Absecon; Atlantic City.
- Burlington County: Bass River, Bordentown City, Cinnaminson, Moorestown.
- Camden County: Chesilhurst, Collingswood, Haddonfield.
- Cape May: Ocean City, Sea Isle City.
- Cumberland: none
- Gloucester: Monroe, Newfield, Wenonah.
- Ocean: Manahawkin; Seaside Heights.
- Salem: Elsinboro Township, Quinton, Woodstown.
- Mercer: none

If your property is located in a municipality in which there was a municipal-wide revaluation or reassessment, the tax appeal procedure is the same as in other municipalities. Only the deadline date is different.

My colleagues have indicated that recent changes in the market are the reason for

increased tax appeals this year. The uncertainty of the market is such a hot topic that it is subject of a panel discussion at the upcoming annual joint meeting of the Southern Jersey Chapter of the Appraisal Institute and the New Jersey Association of Municipal Assessors. I will report on that event in a future column.

As I have previously urged, a taxpayer should try to settle the appeal with the tax assessor before the hearing. To settle an appeal, the assessor will need to know the basis of your appeal. This means that you will either have to find sales and/or rentals on your own, or hire an appraiser. One of the most frequent concerns I have heard from assessors over the years is that they receive inadequate or inappropriate information on the basis of an appeal from the taxpayer.

Appeals based on refinancing appraisals created in the past month or so may also not be valid for use in a tax appeal. This is because "market value" for financing purposes may not be the "market value" for the purpose of a tax assessment. Take a look at the assumptions and limiting conditions section of the appraisal and call the appraiser who created the report before you use a "re-fi" appraisal in a tax appeal.

Remember, the date of value for tax assessments in New Jersey is October 1st of the previous year. For tax year 2008, that date is Oct. 1, 2007. Your proofs supporting a reduction in assessment must include sales or rental data that was valid on October 1, 2007.

If the assessor does not believe that your proofs support a reduction in assessment, they will usually tell you so in these preliminary discussions. Alternately, the assessor may ask

you to meet him or her at the tax appeal hearing to discuss settlement possibilities. In either case, you must be prepared to present your case to the County Board of Taxation.

Carefully review the tax appeal form provided by your local tax assessor and ask the assessor if you have any questions. In particular, make certain that you can supply the County Board with the appropriate data requested on the tax appeal form. While the forms may vary slightly by county, all require you to provide appropriate sales or rental comparables a certain number of days before your tax appeal hearing before the County Board. The state Division of Taxation had some information that you may find helpful at <http://www.state.nj.us/treasury/taxation/pdf/lpt/ptappeal.pdf>

Although most assessors are sincerely concerned about your personal situation, they can only provide you with so much assistance. As you work your way through this process, consider using the services of an experienced professional. To find an appraiser, go to [http://www.appraisalfoundation.org/s\\_appraisal/sec.asp?CID=15&DID=15](http://www.appraisalfoundation.org/s_appraisal/sec.asp?CID=15&DID=15).

To find a qualified attorney, contact your county bar association.

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*Dennis A. Scardilli is an attorney-at-law in the Atlantic City area. The information in this article has been provided only for informational and educational purposes and is not intended to provide legal advice. For legal advice on this or any other topic, contact a qualified attorney.*